

October 13, 2009

The Common Council met as the Water Utility Board at 7:00 p.m. on the above date with Mayor Pro Tem Curtis presiding and members Askren, Fuelling, Hoehn, and Higgins attending. Others attending were Chief Waters; Chief Beloit; Supt. Gray; Attorney Higgins; Andy Hoehn; David and Judy Whitten; Jack Osborne; and Pam Robinson – Posey County News.

Mayor Pro Tem Curtis called the meeting to order by stating members were either mailed or hand carried copies of the minutes of their previous meeting and by asking if there were any corrections or additions. He added if not, he entertains a motion to waive their reading and to approve the minutes as presented.

Board member Higgins moved the reading of the minutes be waived and they be approved as presented.

Seconded by Board member Fuelling.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Pro Tem Curtis requested action on the claims presented.

Board member Askren moved the claims presented be allowed for payment. Seconded by Board member Hoehn.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

*****CLAIMS*****

Mayor Pro Tem Curtis stated they will now hear the report of the Water Superintendent.

Supt. Gray stated they have had a few minor leaks, but other than that, things are running smoothly. He added ISI has been repairing water lines that they had damaged during the CSO project, and that is also coming along well.

Mayor Pro Tem Curtis asked if there were any questions ?

There were none.

Mayor Pro Tem Curtis stated August Financial was mailed and any questions could be directed to Bookkeeper Bennett.

Mayor Pro Tem Curtis asked if the Clerk-Treasurer had any Communications for the Board ?

Clerk-Treasurer Wolfe replied not at this time.

Mayor Pro Tem Curtis asked if there were any Legal items for consideration ?

Attorney Higgins stated they need to further discuss the water rate ordinance. She added the Board needs to make a recommendation to the Council on how to proceed. She reminded the Board they have been discussing this for the last several months, along with reports/studies as provided by Umbaugh. She added the most recent of which being how the hydrants will be handled – they are currently paid by the city to the water department on a monthly basis to help with the upkeep and testing of the hydrants. She further reminded the Board the rental the city pays is for the presence of the hydrant. She also reminded them that when rates go up across the board, rate on the fire hydrants also go up, and as they are aware, the city has their own financial issues. She stated the other option the Board can consider is add the hydrant rental as a line item on the consumers' water bill – an additional \$7.42 per month. She added this \$7.42 would be added on to billings for customers that live inside the city limits only. She concluded by stating Umbaugh is recommending an across the board increase of 19.9% . For clarification, she reviewed the Board's three options:

1. As traditionally done, an across the board increase of 19.9%, including fire

hydrants and sprinkler heads.

2. A 19.9% increase on the top portion of the rate chart, based on consumption, and leaving fire hydrants and sprinklers alone.
3. A 19.9% increase, based on consumption, and adding \$7.42 to all consumers bills within the city limits to pay for the fire hydrant rental.

Board member Hoehn asked what exactly fire hydrant really is ? She asked if they are renting the hardware, and not paying for the water in the hydrant ?

Attorney Higgins replied they are paying for the ability to have the hydrant, as well as for having service large enough for fire protection for the city.

Board member Hoehn stated if they increase the rate for users that does not seem like what hydrant rental is all about.

Attorney Higgins again stated it is about the ability to have service at the locations where the hydrants are located, and enough capacity, etc. She reminded the Board that some pay on the size of their meter; and the rental is designed to pay for the ability and capability for the hydrant to be used if needed.

Board member Hoehn stated it is hard for her to do this, though she does understand the 19.9% increase that is recommended by Umbaugh due to Aventine pulling out. She then stated it seems though that the Board is asking the citizens to pay the whole rental fee, not the difference, which would amount to around a 51.5% increase.

Mayor Pro Tem Curtis stated if they change from the way they currently do things, with the city paying the rental, yes that is correct. He then asked if there were any other comments ?

Board member Higgins stated she feels sorry for folks out there. The city is in a bad position as well, and though she has HEARD that Aventine is getting ready to make an announcement, they can not count on that. She then questioned the main differences between Options 1 and 3.

Attorney Higgins replied Option 1 is a 19.9% increase, across the board, including hydrants and sprinklers; Option 2 does not include hydrants or sprinklers. She added any increase SHOULD be across the board, for everyone.

Mayor Pro Tem stated they need to decide now if the cost of the rental should be covered through the water user or continue on a monthly basis through the city. He stated the city continuing to pay it would result in it being paid with a combination of tax dollars and other forms of miscellaneous revenue. He then stated Option 1 is no different from what they do now, except for the increase of 19.9%, which the city would also get due to the hydrants. In Option 3 there would still be the increase of 19.9%, plus an add-on to the consumers' bill of \$7.42 to pay the hydrant rental.

Board member Fuelling stated Option 2 has no increase in hydrant rental, and wondered what impact that would have on the water department.

Mayor Pro Tem Curtis stated if they do not increase the hydrant rental, they will have to have more of an increase on the rate for the residents to get the same revenue outcome for the water department. He asked if there was any further discussion ?

Board member Fuelling asked if there was an option that would be the "better seller" ?

Mayor Pro Tem Curtis replied that either way, it will come from the citizens, but which is more palatable ?

Board member Hoehn stated currently with the city paying the rental, they are using that as a benefit to the citizens, re: fire protection. She stated they will not be decreasing the tax rate, but they will be increasing the water rate, and is therefore, no longer a "perk". She further added to her, it seems like double taxation. She concluded by stating they need to change the tax rate.

Board member Fuelling stated unfortunately that is not an option. He added Option 3 sounds like the best option, but....

Board members Hoehn, Higgins and Askren all stated Option 1 is the best choice.

Mayor Pro Tem Curtis agreed.

Board member Hoehn then moved the Board recommend to Council Option 1, an across the board increase of 19.9%, including fire hydrants and sprinklers. Seconded by Board member Askren.

Mayor Pro Tem Curtis asked if there was any discussion ?

There was none.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Pro Tem Curtis asked if anyone in the Audience wished to address the Board ?

Jack Osborne approached and stated he would like to request a water adjustment. He had a leak that was fixed, though his next bill was still very high. He then stated he has now re-fixed the leak and has been watching the meter; it is fixed now.

Supt. Gray added he has shown his receipts and has had one adjustment previously, which is why the Board needs to approve this one.

Mayor Pro Tem Curtis asked if there were any questions ?

Board member Hoehn asked if he has had a normal bill yet ?

Supt. Gray replied it needs to go one more cycle.

Board member Hoehn then moved the adjustment be approved, contingent on his receiving a normal bill next cycle, and adjustment to be based on his average billing. Seconded by Board member Fuelling.

Mayor Pro Tem Curtis asked if there was any discussion ?

There was none.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Pro Tem Curtis asked if there was any Old Business ?

There was none.

Mayor Pro Tem Curtis asked if there was any New Business ?

There was none.

Mayor Pro Tem Curtis stated if there was no further business, he entertains a motion to adjourn.

Board member Fuelling moved the meeting be adjourned. Seconded by Board member Higgins.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously and adjourned the meeting.

Bill Curtis
Mayor Pro Tem

ATTEST:

Cristi L. Wolfe
Clerk-Treasurer

The Common Council met immediately following the Water Utility Board on the above date with Mayor Pro Tem Curtis presiding and members Askren, Fuelling, Hoehn, and Higgins attending. Others attending were Chief Waters; Chief Beloit; Supt. Gray; Attorney Higgins; Andy Hoehn; David and Judy Whitten; and Pam Robinson – Posey County News.

Mayor Pro Tem Curtis called the meeting to order by stating members were either mailed or hand carried copies of the minutes of their previous meeting and by asking if there were any corrections or additions. He added if not, he entertains a motion to waive their reading and to approve the minutes as presented.

Councilwoman Hoehn moved the reading of the minutes be waived and they be approved as presented.

Seconded by Councilwoman Askren.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Pro Tem Curtis stated they will now hear the reports of the Departments.

Street & Light Chairwoman Hoehn stated she has no report.

Comm. Maynard was not present.

Mayor Pro Tem Curtis asked if there were any questions ?

There were none.

Police & Dog Chairwoman Askren stated she has no report.

Chief Beloit stated the annual Halloween Candy Handout will be on Halloween from 3:00 p.m. until 6:00 p.m., or until they run out of candy.

Mayor Pro Tem Curtis asked if there were any questions ?

There were none.

Fire Chairman Fuelling stated he has no report.

Chief Waters stated he has no report.

Mayor Pro Tem Curtis asked if there were any questions ?

There were none.

Sewer Chairwoman Higgins stated ISI was working yesterday (Columbus Day) and are closing in on the deadline.

Mayor Pro Tem Curtis asked if there were any questions ?

There were none.

Mayor Pro Tem Curtis stated they have the Financial Report before them and any questions could be directed to Clerk-Treasurer Wolfe.

Mayor Pro Tem Curtis asked if the Clerk-Treasurer had any Communications for the Council ?

Clerk-Treasurer Wolfe replied not at this time.

Mayor Pro Tem Curtis stated the first item on the Legal portion of the Agenda is the final reading of the proposed Ordinance Establishing Appropriations and Tax Rates for the Year Ending December 31, 2010, the 2010 Budget.

Councilwoman Hoehn moved the ordinance pass final reading. Seconded by Councilwoman Askren.

Mayor Pro Tem Curtis asked if there was any discussion ?

There was none.

Mayor Pro Tem Curtis requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren – yes; Fuelling – yes; Hoehn – yes; Higgins – yes.

Mayor Pro Tem Curtis stated the motion carried unanimously.

Clerk-Treasurer Wolfe added it will be numbered 09-25.

Mayor Pro Tem Curtis stated the next item is the final reading of the Ordinance Establishing Salaries and Wages for the Appointed Officers and Employees of the City of Mount Vernon for the Year Ending December 31, 2010, the 2010 Salary Ordinance.

Councilwoman Higgins moved the ordinance pass on final reading. Seconded by Councilman Fuelling.

Mayor Pro Tem Curtis asked if there was any discussion ?

There was none.

Mayor Pro Tem Curtis requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren – yes; Fuelling – yes; Hoehn – yes; Higgins – yes.

Mayor Pro Tem Curtis stated the motion carried unanimously.

Clerk-Treasurer Wolfe added it will be numbered 09-26.

Mayor Pro Tem Curtis the next item is the second reading of the Ordinance of Additional Appropriations in the General, MVHF, and COIT Funds. He added public hearing is scheduled for October 26th.

Councilman Fuelling moved the ordinance pass second reading. Seconded by Councilwoman Higgins.

Mayor Pro Tem Curtis asked if there was any discussion ?

There was none.

Mayor Pro Tem Curtis requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren – yes; Fuelling – yes; Hoehn – yes; Higgins – yes.

Mayor Pro Tem Curtis stated the motion carried unanimously.

Attorney Higgins stated a discussion on water rates is listed next, but as that was previously discussed in the Water Utility Board meeting, she really just needs some direction. A first reading was held on August 24, on the ordinance she mailed them a few months ago. She added that ordinance is now outdated and to make things cleaner, she recommends they put off any further readings, and start over next meeting with a first reading on the ordinance as recommended by the Utility Board.

Mayor Pro Tem Curtis asked if anyone in the Audience wished to address the Council ?

There was no response.

Mayor Pro Tem Curtis asked if there was any Old Business ?

Councilwoman Hoehn stated at the last meeting the discussed clearing out the trees on the riverfront and she believes Mayor Tucker was going to look into that, but she didn't know if anything had been done at this point ?

Mayor Pro Tem Curtis replied that is correct and he believes Mayor Tucker was also going to contact the Army Corps of Engineers.

Councilwoman Hoehn then stated she believes he was also going to contact Mt. Vernon Barge Service.

Mayor Pro Tem Curtis agreed and added they will have to wait until the next meeting for an update.

Councilwoman Hoehn then questioned the events calendar on the website that was brought up at the last meeting. She then stated as Mayor Tucker's office was also handling that, she assumes there will be an update at the next meeting.

Mayor Pro Tem Curtis asked if there was any New Business ?

There was none.

Mayor Pro Tem Curtis stated they will now hear the reports of the Districts.

1st District Councilwoman Askren stated she has no report.

2nd District Councilman Fuelling stated he has no report.

3rd District Councilwoman Hoehn stated she has no report.

Councilwoman-at-Large Higgins stated she has received two calls in four days about the intersection of Country Club and Smith Road. She added the view is blocked to the east by limbs, and the view to the west

is blocked by a bush. She stated she contacted the Street Department about the view to the east and they did trim the limbs back, but there is a problem there. She keeps getting calls on it, and again, the Street Department has cut the limbs back, at last twice.

Councilwoman Hoehn stated it sounds like they need a permanent solution.

Councilwoman Higgins agreed and again added she has received two calls in four days.

Councilwoman Hoehn asked if the city could a letter to the homeowner asking for permission to let the city come on their property and remove some of the limbs.

Mayor Pro Tem Curtis asked if it is as much of a problem now that the leaves are starting to fall ?

Councilwoman Higgins replied no, it is mainly a Spring/Summer issue, when the leaves are gone, it isn't an issue.

Mayor Pro Tem Curtis suggested all Council take a look at the situation and they COULD write a nice letter, possibly.

Mayor Pro Tem Curtis as 4th District Councilman stated he has no report.

Mayor Pro Tem Curtis stated under Mayor's Announcements, Mayor Tucker is doing well and he looks forward to seeing him back very soon. With that being said, he then entertained a motion to adjourn.

Councilman Fuelling moved the meeting be adjourned. Seconded by Councilwoman Hoehn.

Mayor Pro Tem Curtis stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously and adjourned the meeting.

Bill Curtis
Mayor Pro Tem

ATTEST:

Cristi L. Wolfe
Clerk-Treasurer